

EXHIBIT 3

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

PM ASSET RESOLUTION, INC.
949 South Coast Drive, Suite 300
Costa Mesa, California 92626
Attn: Michael G. Green
APN: 668-291-13

Recorded in Official Records, Orange County
Hugh Nguyen, Clerk-Recorder

 54.00

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**ASSIGNMENT OF LOAN DOCUMENTS, ASSIGNMENT OF DEED OF TRUST, AND
ASSIGNMENT OF ASSIGNMENT OF LEASES AND RENTS**

This ASSIGNMENT OF LOAN DOCUMENTS, ASSIGNMENT OF DEED OF TRUST, AND ASSIGNMENT OF ASSIGNMENT OF LEASES AND RENTS (“Assignment”) is made as of this ____ day of June 2013, by PACIFIC MERCANTILE BANK, a California banking corporation (“Assignor” or “Bank”), to PM ASSET RESOLUTION, INC., a California corporation (“Assignee”), in connection with that certain Loan Sale Agreement dated as of June ___, 2013 (the “Loan Sale Agreement”).

RECITALS

A. Pursuant to the Loan Sale Agreement, Assignor has sold to Assignee all of Assignor’s rights, title and interest under that certain loan in the original principal amount of Five Million Seven Hundred Thousand and No/100 (\$5,700,000.00), (the “Loan”), made by Assignor to Auto Orange II, LLC, a California limited liability company (“Borrower”).

B. The Loan is evidenced, in part, by that certain (1) Promissory Note dated as of August 23, 2007 and executed by Borrower in favor of Assignor (the “Note”); (2) Deed of Trust dated as of August 23, 2007, executed by Borrower for the benefit of Bank (together with any and all amendments thereto or modifications thereof, the “Deed of Trust”), securing Borrower’s obligations under the Loan, and encumbering the real property commonly known as 32881 Camino Capistrano, San Juan Capistrano, CA 92675 (“Property”), legally described in Exhibit A, attached hereto, and recorded as Document No. 2007000537022 in the Official Records of Orange County, California, on August 29, 2007; (3) Assignment of Leases and Rents dated as of August 23, 2007, executed by Borrower and in favor of Bank, in connection with the Property (together with any and all amendments thereto or modifications thereof, the “Assignment of Rents”), and recorded as Document No. 2007000537023 in the Official Records of Orange County, California, on August 29, 2007; (4) UCC-1 Financing Statement, encumbering the property described therein, as Document No. 2007000537025 in the Official Records of Orange County, California, on August 29, 2007 (“UCC-1”), and by those additional documents listed on Schedule 1 attached hereto (collectively, the “Loan Documents”).

ASSIGNMENT

1. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby assigns to Assignee, and Assignee hereby assumes from Assignor: (i) the Loan Documents, and all of Assignor's rights, title and interests in, to and under the Loan Documents, and (ii) all of Assignor's right, title and interest in, to, and under the instruments, documents, certificates, letters, records, and papers relating to the Loan Documents and all other documents executed and/or delivered in connection with the Loan evidenced by the Loan Documents, including, without limitation, all related title insurance policies, surveys, plans and specifications, insurance policies and certificates, bank accounts, operating accounts, reserve accounts, if any, escrow accounts and other accounts, permits, licenses, opinions, appraisals, environmental reports, and financial statements of borrowers, and (iii) all rights and benefits of Assignor related to the Loan Documents and such other instruments, documents, certificates, letters, records and papers.

2. This Assignment is an absolute assignment.

3. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

4. This Assignment shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have each respectively duly executed this Assignment as of the date first above written.

[Signatures on Following Page]

IN WITNESS WHEREOF, this Assignment is made to be effective as of the date first above written.

“ASSIGNOR”:

PACIFIC MERCANTILE BANK,
a California banking corporation

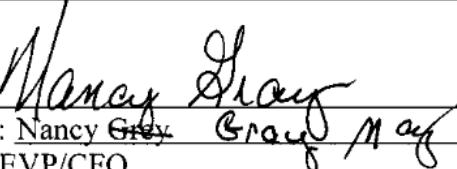
By: 
Name: Bob Bartlett
Title: SEVP/CCO

By: 
Name: Robert Sjogren
Title: General Counsel

“ASSIGNEE”:

PM ASSET RESOLUTION, INC.,
a California banking corporation

By: 
Name: Michael Green
Title: President/CEO

By: 
Name: Nancy Gray
Title: EVP/CFO

STATE OF CALIFORNIA)

)

COUNTY OF ORANGE)

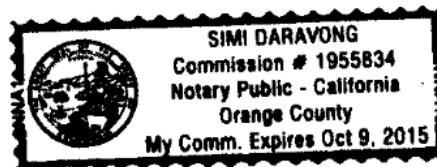
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ss

On 06-27-2013, before me, Simi Daravong, a Notary Public, personally appeared Nancy Gray, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public



STATE OF CALIFORNIA)

)

COUNTY OF ORANGE)

)
ss

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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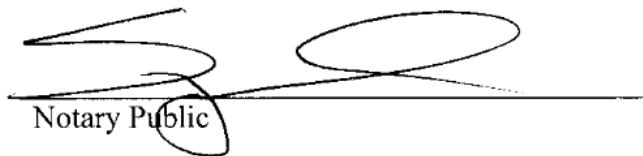
Notary Public

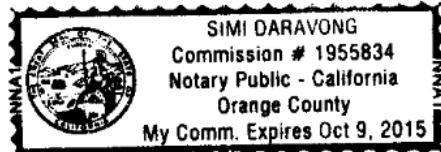
STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

On 06-26-2013, before me, Simi DARAVONG, a Notary Public, personally appeared Michael G. Green, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.


Notary Public



STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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Notary Public

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

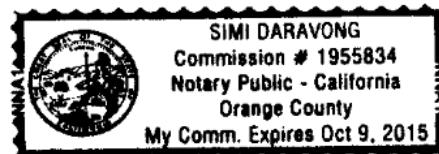
On 06-26-2013, before me, Simi Daravong, a Notary Public, personally appeared Robert W. Bartlett, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Public



STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.

Notary Public

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

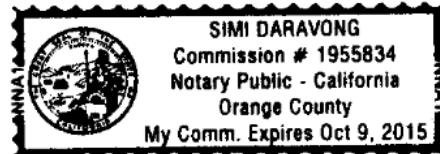
On 06-26-2013, before me, Simi Daravong, a Notary Public, personally appeared Robert Sjogren, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.



Notary Public



STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.

Notary Public

**EXHIBIT A TO ASSIGNMENT OF LOAN DOCUMENTS, ASSIGNMENT OF DEED OF
TRUST, AND ASSIGNMENT OF ASSIGNMENT OF LEASES AND RENTS**

LEGAL DESCRIPTION OF PROPERTY

PARCEL NO. 1, IN THE CITY OF SAN JUAN CAPISTRANO, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS
SHOWN ON A PARCEL MAP FILED IN BOOK 79, PAGES 26 AND 27 OF PARCEL MAPS, IN THE OFFICE OF THE
COUNTY RECORDER OF SAID COUNTY.

EXCEPT ALL WATER, CLAIMS OR RIGHTS TO WATER, IN OR UNDER SAID LAND.

APN: 668-291-13

SCHEDULE 1
TO
ASSIGNMENT OF LOAN DOCUMENTS, ASSIGNMENT OF DEED OF TRUST, AND
ASSIGNMENT OF ASSIGNMENT OF LEASES AND RENTS

Promissory Note dated as of August 23, 2007, in original principal amount of \$5,700,000.00;

Deed of Trust dated August 23, 2007, and recorded in the Official Records of Orange County as Document No. 2007000537022 on August 29, 2007

Assignment of Rents dated August 23, 2007, and recorded in the Official Records of Orange County as Document No. 2007000537023 on August 29, 2007

UCC-1 recorded in the Official Records of Orange County as Document No. 2007000537023 on August 29, 2007

Commercial Security Agreement dated as of August 23, 2007

Change in Terms Agreement dated as of December 29, 2010

Lockbox and Cash Management Agreement dated as of August 15, 2011

Change in Terms Agreement dated as of September 19, 2012

Commercial Guaranty dated as of August 23, 2007 executed by Marc J. Spizzirri

Commercial Guaranty dated as of August 23, 2007 executed by Spizzirri Family Trust dated as of November 11, 1997

EXHIBIT D
FORM OF UCC-1 ASSIGNMENT